

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6232

BILL NUMBER: HB 1436

NOTE PREPARED: Dec 7, 2008

BILL AMENDED:

SUBJECT: Electricians.

FIRST AUTHOR: Rep. Friend

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Electrical Industry Licensing Board*- The bill establishes the Electrical Industry Licensing Board (EILB).

Licensure of Electrical Contractors- The bill establishes licensing requirements for electrical contractors.

Effective Date: July 1, 2009.

Explanation of State Expenditures: *Electrical Industry Licensing Board*- Members of the EILB would receive a salary per diem, travel, and reimbursement for expenditures incurred in the line of duty. The amount of reimbursement would depend on the number of times the ELIB met in a given year. The ELIB would be required to meet at least four times in a calendar year.

Professional Licensing Agency- The Professional Licensing Agency (PLA) would provide the administrative staff to the ELIB. Whether additional staff were required would depend on the number of applicants for the license and the workload of PLA staff with existing professional boards and commissions. An additional COMOT III to process licenses would require \$37,374 in expenditures during FY 2010. The amount includes salary, fringes, and indirect costs associated with establishing the position.

Background PLA- The PLA reverted \$514,160 at the close of FY 2008. As of November 24, 2008, the PLA had one vacancy with salary worth \$40,950. However, recent prior year reversions have been minimal due to the addition of several new boards and commissions, which currently total 39.

Explanation of State Revenues: *Licensure of Electrical Contractors-* The impact of this provision to state revenues would depend on the number of entities that would fall under the definition of “electrical contracting”. Additionally, the ELIB would set the fees for licensure applicants. There were approximately 15,000 electricians and 2,630 electrical repair contractors (of commercial and industrial equipment) in Indiana as of May 2007.

Penalty Provision- The bill provides for a Class B misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class B misdemeanor is \$1,000. Criminal fines are deposited in the Common School Fund.

If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), public defense administration fee (\$3), court administration fee (\$5), judicial insurance adjustment fee (\$1), and the DNA sample processing fee (\$1) are deposited into the state General Fund.

Explanation of Local Expenditures: *Penalty Provision-* A Class B misdemeanor is punishable by up to 180 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Explanation of Local Revenues: *Penalty Provision-* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. In addition, several additional fees may be collected at the discretion of the judge and depending upon the particular type of criminal case.

State Agencies Affected: Professional Licensing Agency.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Indiana State Budget Agency: *General and Rainy Day Fund Summaries, June 30, 2008*; U.S. Bureau of Labor Statistics.

Fiscal Analyst: Chris Baker, 317-232-9851.